

Noel Knight, Esq.  
SBN #223821  
The Knight Law Group  
800 J Street, #441,  
Sacramento, CA 95814  
Tel: 510-435-9210 – cell/text  
Fax: 510-281-6889  
www.noelknightlaw.com  
lawknight@theknightlawgroup.com

Attorneys for Debtor...COMPASS POINTE OFF CAMPUS PARTNERSHIP B. LLC

**UNITED STATES BANKRUPTCY COURT**  
**EASTERN DISTRICT OF CALIFORNIA**  
**FRESNO DIVISION**

IN RE:	)	Case No. 2022 – 10778
	)	
	)	DCN: KF - 1
COMPASS POINTE OFF CAMPUS	)	
	)	
PARTNERSHIP B, LLC,	)	<b>DECLARATION OF DAVID C. SOWELS</b>
	)	<b>REGARDING THE STATUS OF THE</b>
Debtor and Debtor-in-Possession.	)	<b>COMPASS POINTE PROJECT;</b>
	)	
	)	<b>DEBTOR’S RESPONSE TO MOVANT’S</b>
	)	<b>REPLY TO DEBTOR’ OPPOSITION TO</b>
	)	<b>THE MOTION FOR RELIEF FROM</b>
	)	<b>STAY</b>
	)	
	)	Date: April 24, 2024
	)	Event: Motion for Relief from Stay
	)	Time: 9:30 a.m.
	)	Place: 2500 Tulare St., Courtroom 11,
	)	Dept. A, Sacramento, CA
	)	Judge: Hon. Jennifer E. Niemann
	)	
	)	
	)	
	)	
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	)	

I do hereby declare and swear to the following:

1. I am a resident of the State of California and over eighteen years of age.

The following facts are within my personal knowledge, except as to those matters, if any, which are stated on information and belief and as to those matters I believe to be true; accordingly, if called as witness I could and would, competently testify thereto;

2. YOUR HONOR: I hereby attest that I am the Managing member of the Debtor Compass Pointe Off Campus Partnership B, LLC and in this capacity, on behalf of the Debtor, I hereby respond to Merced DIP, LLC's Motion for Relief from Stay:

- A. We are getting the money together to Pay Off Merced DIP as evidenced by the Statements in our Opposition to the Motion for Relief; The filing of a Notice of default will severely limit if not eliminate our financing options.
- B. The Project is almost 70% complete with an appraised completed value of \$39,000,000 and giving it to the Movant would afford them a major windfall; The land alone before construction appraised for over \$6,500,000
- C. We do not owe them 27,559,454.66, in fact considerably less by the millions, but their refusal to discuss with us either the state of the Project or their method of accounting has left us stymied;
- D. We have been working diligently this project, we dispute that it is over-budget, and both Pay Off for Merced DIP, LLC and completion of the project are on the horizon, we just need some more time to complete arrangements with our investors and Builder's Capital

funding.. We have as a group agreed to invest \$7,000,000 required by the new Construction Lender Builders Capital to pay off the current Lender.

3. **I HEREBY DECLARE**, respectively, under penalty of perjury under the laws of the State of California that the foregoing is true and correct; and we can be reached at 1 707 694 0221; dsowels.3nrealty@gmail.com

Executed this 6<sup>th</sup> day of April, 2024 in Fairfield, California.

DocuSigned by:

*David Sowels*

4/17/2024

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DAVID C. SOWELS

MANAGING MEMBER OF COMPASS POINTE OFF CAMPUS PARTNERSHIP B, LLC

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